

FIRST REGULAR SESSION

SENATE BILL NO. 76

94TH GENERAL ASSEMBLY

INTRODUCED BY SENATOR COLEMAN.

Pre-filed December 1, 2006, and ordered printed.

TERRY L. SPIELER, Secretary.

0322S.011

AN ACT

To amend chapter 407, RSMo, by adding thereto one new section relating to gift certificates, with penalty provisions.

Be it enacted by the General Assembly of the State of Missouri, as follows:

Section A. Chapter 407, RSMo, is amended by adding thereto one new
2 section, to be known as section 407.1175, to read as follows:

**407.1175. 1. For the purposes of this section, the term "gift
2 certificate" shall mean any tangible record evidencing a promise by the
3 seller or issuer of the record that goods or services will be provided to
4 the owner of the record to the value shown in the record. Gift
5 certificate shall include, but is not limited to, a gift card, stored-valued
6 card, store card, or a similar record or card that contains a
7 microprocessor chip, magnetic stripe, or other means for the storage of
8 information, and for which that value is decreased upon each use. The
9 term "gift certificate" shall not include:**

10 **(1) Certificates distributed to a consumer pursuant to an awards,
11 loyalty, or promotional program without any money or other thing of
12 value being given in exchange for the certificate by the consumer; and**

13 **(2) Certificates sold below face value at a volume discount to
14 employers or to nonprofit and charitable organizations for fundraising
15 purposes and whose expiration dates are not less than thirty days after
16 the date of the sale.**

17 **2. It shall be unlawful for any person or business entity to sell a
18 gift certificate that is subject to an expiration date or a service fee of
19 any kind, including, but not limited to, a service fee for dormancy.**

20 **3. If the holder of a gift certificate has used at least fifty percent
21 of the value of the gift certificate, the holder is entitled to receive the**

22 **balance in cash from the business entity that is responsible for issuing**
23 **the gift certificate.**

24 **4. Violations of this section shall be considered unfair**
25 **merchandising practices subject to the penalties in section 407.020.**

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